

2005 Neighborhood Electric Vehicle (NEV) Credit

Arizona Form 328

Phone Numbers

If you have questions, please call one of the following numbers:

Phoenix	(602) 255-3381
From area codes 520 & 928 toll-free	(800) 352-4090
Form orders	(602) 542-4260
Recorded Tax Information	
Phoenix	(602) 542-1991
From area codes 520 & 928 toll-free	(800) 845-8192
Hearing impaired TDD user	
Phoenix	(602) 542-4021
From area codes 520 & 928 toll-free	(800) 397-0256

You may also visit our web site at: www.azdor.gov

Use of This Form

Use this form to do the following.

- Figure how much of a NEV credit carryover you have available from the 2000 or 2001 taxable year.
- Figure any recapture of a NEV credit.

Line-by-Line Instructions

Enter the names and taxpayer identification numbers (TIN) as shown on Form 140, 140PY, 140NR, 140X, 120, 120A, 120S, 120X, or 165.

All returns, statements, and other documents filed with the Department of Revenue require a taxpayer identification number (TIN). The TIN is either a correct social security number or, for a business, the federal employer identification number. Paid tax preparers must also include their TIN on forms where requested. Taxpayers and paid preparers who fail to include the preparer TIN may be subject to a penalty. Please check the return to be sure that all required identification numbers are accurate and written clearly. Missing, incorrect, or unclear identification numbers may cause delays in processing the returns.

Part I - Available Credit Carryover

Lines 1 through 3 -

Use Part I to figure your total available credit carryover from the 2000 or 2001 taxable year. Complete lines 1 through 3 if you claimed a credit for a NEV on your 2000 return or 2001 return and the credit was more than your tax.

In column (b), enter the credit originally computed for the 2000 taxable year or 2001 taxable year. In column (c), enter the amount of the credit that you have already used. Subtract the amount in column (c) from the amount in column (b) and enter the difference in column (d). If you must complete Part VI, enter zero in column (d).

Individuals, also enter the total available credit on Arizona Form 301, Part I, line 17.

NOTE For Individual Taxpayers Only: *If you are married, and you and your spouse file separate returns, you may each take only one-half of the total credit that would otherwise be allowed on a joint return.*

Corporations (including S corporations that elected to take the credit), also enter the total available credit on Arizona Form 300, Part I, line 13.

Part II - Credit Recapture For NEVs Used on a Golf Course

Part II applies only to NEVs purchased or leased on or after July 1, 2000.

Lines 4 through 8 -

If any NEV, purchased or leased on or after July 1, 2000, is used on a golf course for purposes other than maintenance of the golf course after a credit is taken, then you must recapture any credit taken for that vehicle or vehicles.

Complete Form 328, Part II if the following apply:

- The NEV was purchased or leased on or after July 1, 2000.
- A credit was taken for that NEV.
- That NEV was used on a golf course for other than maintenance purposes after a credit was taken.

Complete lines 4 through 8 as instructed on the form.

Part III - Lessor/Lessee Information Applicable to the Recapture

Lines 9 through 16 -

If a credit that is subject to recapture was shared by a lessor and a lessee, then either the lessor or the lessee must complete Part III to let the other party know their share of the credit recapture.

Complete lines 9 through 16 as instructed on the form.

Part IV - S Corporation Shareholder Information Applicable to the Recapture

Lines 17a through 17c -

If the credit was passed through from an S corporation to its shareholders, the S corporation must provide each shareholder with information concerning the shareholder's pro rata share of the credit recapture. The S corporation must complete Part IV, lines 17a through 17c separately for each shareholder. The shareholder must complete Part VI, lines 19 through 21.

Part V - Partnership Partner Information Applicable to the Recapture

Lines 18a through 18c -

If the credit was passed through from a partnership to its partners, the partnership must provide each partner with information concerning the partner's pro rata share of the credit recapture. The partnership must complete Part V, lines 18a through 18c separately for each partner. The partner must complete Part VI, lines 19 through 21.

Part VI - All Taxpayers Subject to the Recapture

Lines 19 Through 21-

Complete lines 19 through 21 as instructed on the form.

Form 328-P – NEV Penalty

Form 328-P applies only to NEVs purchased or leased on or after July 1, 2000.

You must pay a civil penalty of \$1,000 for each NEV that is used on a golf course if all of the following apply:

- The NEV was purchased or leased on or after July 1, 2000.
- A credit was taken for that NEV.

- That NEV was used on a golf course for other than maintenance purposes after a credit was taken.

If a lessee and lessor share a credit for a NEV leased on or after July 1, 2000, and that NEV is later used on a golf course for other than maintenance purposes, then the lessee must complete Form 328-P and remit the penalty to the Arizona Department of Environmental Quality.

If an S corporation or a partnership has passed this credit through to its shareholders or partners, the S corporation or partnership, rather than the shareholder or partner is liable for the penalty. In this case the S corporation or partnership must complete and remit Form 328-P.

If you are liable for this penalty, complete and remit Form 328-P.